

Retirees Age 65 & Over  
and for those Retirees Under Age 65 who are Medicare Eligible

**Open Enrollment for Medicare  
Eligible Retirees & Spouses**

This is to inform Medicare eligible retirees and spouses, who are age 65 or older and **not** already enrolled in the KTRS Medicare Eligible Health Plan (MEHP) that November 15, 2006 begins Open Enrollment. **If you are Medicare eligible, not currently enrolled in medical coverage through KTRS and wish to have coverage effective January 1, 2007, you must contact KTRS for an enrollment form.** The completed enrollment form must be returned to this office by December 31, 2006 for coverage to be effective January 1, 2007. During Open Enrollment you can enroll in this coverage without providing proof of a qualifying event. To enroll outside of open enrollment you must show evidence of a qualifying event. **If you are currently enrolled in medical coverage through KTRS, you do not have to do anything.**

For the calendar year 2007, KTRS will offer Medicare eligible retirees and spouses medical coverage through a Medicare Advantage Private Fee For Service Plan administered by Humana and prescription coverage administered by Medco. The 2007 monthly cost for retirees and spouses covered by the KTRS MEHP is \$283.00 per person as compared to \$315.00 in 2006. KTRS will pay the full premium rate for retirees with 20 or more years unless you were hired July 1, 2002 or after. Retirees with less than 20 years of service credit will pay a premium based on years of service credit. Spouses of KTRS retirees pay full premium cost for their coverage.

**Medicare  
Rates for 2007**

The standard Medicare Part B monthly premium will be \$93.50 in 2007, an increase of \$5.00 or 5.6 percent from the current \$88.50 Part B premium, considerably lower than was earlier projected. This premium is the smallest percent increase in the Part B premium since 2001 and less than half of the dollar increase in the premium for 2006.

In 2007, approximately 4 percent of Medicare Part B enrollees with higher incomes will pay a higher Part B premium based on their income. The income-related Part B premiums for 2007 will be \$106.00, \$124.70, \$143.40, or \$162.10, depending on the extent to which an individual beneficiary's income exceeds \$80,000 (or a married couple's income exceeds \$160,000), with the highest premium rates only paid by less than 1 percent of beneficiaries whose incomes are over \$200,000 (or \$400,000 for a married couple). A beneficiary who pays the highest income-related premium in 2007 would pay \$1,945 per year in Part B premiums, but is estimated to receive an average of \$4,363 in Medicare Part B benefits.

The above information was obtained from the September 12, 2006 Medicare (CMS) Fact Sheet.

Please note: Serious gaps in KTRS medical coverage can occur for those retirees and/or spouses who choose not to enroll in Medicare Part B when first eligible or who fail to continue to pay their Medicare Part B premium each month.